

18 November 2021

The Manager

Market Announcements Office
Australia Securities Exchange
20 Bridge Street
SYDNEY NSW 2000

Electronic Lodgement

Attached for release to the market are:

- the Chairman's address;
- the Managing Director and Chief Executive Officer's address; and
- the Managing Director and Chief Executive Officer's Presentation.

Authorised for lodgement by:



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Chairman's Address
Annual General Meeting
Thursday 18 November 2021

Good morning ladies and gentlemen, my name is Paul Oneile, and as A2B's Chairman, it is my pleasure to welcome you to the 2021 Annual General Meeting of A2B Australia Limited.

As we gather for this virtual meeting, I'd like to start by taking a moment to recognise the various traditional lands on which we do our business today, as well as acknowledge Elders – past, present and emerging. From my location today, I respectfully acknowledge the Gadigal people of the Eora Nation.

Today is A2B's second virtual AGM and I thank you for your understanding as we all continue to navigate this new digital forum.

The 12 months to 30 June, 2021 were an incredibly challenging period for our business with ongoing government mandated restrictions on public mobility and stay-at-home orders. These pandemic-related restrictions fundamentally halted the core of our business – the movement of people and things. There are few other businesses where these restrictions have had the same degree of impact as they have for A2B.

Despite these challenges the business did not press the pause button. Supported by our strong balance sheet and decisive cost-saving initiatives, we maintained our net cash position and continued to invest in our business to drive future growth and value creation opportunities for our shareholders.

With regards to FY21 financial performance, we achieved Group revenue of \$113 million, down 34% on FY20 due to the impact of COVID restrictions. Underlying EBITDA was a loss of \$3.7 million, with \$32.7 million in costs removed from the business and \$17.6 million in state and federal government support.

The A2B board took the difficult decision not to declare a dividend at the full year. We do understand that dividends are important to our shareholders, however given the environment and our prioritisation of investment in future growth strategies, we believed it to be a responsible decision.

Post these results, I would like to say that we are encouraged by the rate of double vaccinations, particularly in NSW and Victoria. We are beginning to see a pick-up in our pre-pandemic momentum and there are clear signs of economic recovery. We are very tightly bound to the re-opening of the economy, and remain confident in our significant near-term growth prospects as we expect mobility activity to closely track the current vaccination-backed re-opening.

In terms of outlook, we are optimistic about the prospects of the business and are already seeing positive indications of a rebound upon the reopening and lifting of government restrictions. Andrew will provide more detail of these trading updates in his address.

We are committed, and have continued, to reshape and modernise your business in line with the strategy presented by your Management team at our Investor Day on 28 September. We felt it important to share with you the path we are on and what we expect this will mean for you as shareholders.

As a Board, we continue to be aware that there a range of perceptions about this company – many of which we believe no longer reflect the progress made in the business and others which we are seeking to address.

We also acknowledge that our currently smaller market cap and relatively low liquidity has not helped in improving a truer understanding of A2B or in generating greater interest. The Investor Day was one step among others aimed to change that.

We are embarking on a dedicated effort to drive transparency and engagement in the performance of our business, its operational achievements and to drive returns for our shareholders based on the stated goals we have set for ourselves. As we have said previously - these goals are a whole of company approach including the operating business, our assets and our people.

There are elements of the company's strategic plan that will drive near term cash flow, profitable growth and a return to an attractive dividend program following an initial period of strategic implementation. There are also other elements of the plan that we believe will create longer term value creation opportunities. We believe this is a pragmatic combination and we are committed to prudently balancing these objectives in the best interests of shareholders.

Central to the new strategy are the following pillars:

- Recovery and growth of our core mobility services offering supported by a vaccination-backed re-opening and expansion of adjacent services such as deliveries;
- International expansion through our best-in-class mobility platform offering;
- Leveraging our payment capabilities beyond the mobility services sector;
- Strengthening margins by increasing scale and digitisation of services; and
- Continued investment in our technology capabilities and brands.

In closing the review of the business, we remain excited about the future of A2B. We look forward to updating you on the developments of our plan.

When this strategy is fully delivered, A2B will look like a different company. We will have diversified our revenue streams, expanded our addressable markets and built a business that is digitised and at the forefront of mobility and payments innovation.

Before handing over to Andrew, I would now like to make some comments on two important areas – remuneration and governance.

With regards to the remuneration report and strategy. This is a key area of the Board's responsibility. We have listened to our shareholders and thoroughly reviewed the equity arrangements for the Executives, with the purpose of tightly aligning the remuneration mix with key components and deliverables of the new strategy, that will drive the desired organisational transformation. The outcome of our review was to include a deferred equity component to the current STI program while holding the overall at-risk remuneration of Executives steady.

Corporate Governance is another key Board responsibility. During the year, in keeping with the Board's commitment to maintaining the high standard of our corporate governance framework and processes, the Board and Committee Charters were reviewed and updated to reflect the latest recommendations from the ASX Corporate Governance Council. The Board also approved the Company's first Modern Slavery Statement and introduced a new Anti-Bribery and Corruption Policy.

Finally, on behalf of the Board, I'd like to thank you for your ongoing support of our company and our people during what's been a very challenging period. We look forward to seeing you in person at our AGM next year and continuing to update you on our continued recovery and operational achievements as financial year 2022 progresses.

Managing Director & Chief Executive Officer's Address
Annual General Meeting
Thursday 18 November 2021

Thank you, Chairman, and good morning. I'd like to extend my welcome to all our shareholders, staff members, and community stakeholders.

Two months ago, we delivered our Investor Day presentation. This included detail of what A2B was, what A2B is today and most importantly detail about our vision for A2B's future.

Yesterday we announced an exciting value creation opportunity for our shareholders through the monetisation of our Alexandria property in Sydney. I'll talk more about this shortly but, as we mentioned during our Investor Day, we are embarking on an exciting journey for A2B. Yesterday's announcement is just another step towards delivering on our stated plans and provides further support for the upside inherent within our whole of company valuation.

In my address today there are 3 topics that I would like to cover.

1. A reflection of the FY21 year. As Paul outlined earlier, this was a challenging year but one that we feel demonstrates our consistent ability to navigate structural, competitive and wider societal challenges (such as Covid).
2. Provide several exciting operational updates in the current year including our proactive steps to deliver a valuation uplift of our property portfolio, turnover trends as the economy begins re-opening, and continued cost management initiatives.
3. Share additional perspectives on our commitments to shareholders as we move forward.

First – a reflection on FY21.

Last year was a challenging year. Our core business was significantly exposed to the impacts of COVID and government restrictions on the movement of people. We have, and continue to, manage through these challenges, some of which may linger a little longer even as vaccination rates strengthen further. Our experiences dealing with the initial and subsequent outbreaks and their associated restrictions give us confidence that A2B will deliver a clear and strong recovery to pre-pandemic levels.

The ability to focus through adversity is not new to us. Over the last few years, A2B has faced regulatory upheaval including the destruction of taxi license revenue. We have witnessed well capitalised global competitors entering the market and actively spending millions targeted at acquiring our customers. We have faced into a technology deficit and navigated the halving of service fee revenue.

Despite these challenges, A2B achieved its record revenue in the history of the company in FY19 (being the most recent pandemic free year) and we currently hold the number 2 position in the Australian Mobility sector with 22% of the market with the next largest provider at 6%.

The resilience of our model is highlighted by A2B preserving a net cash position throughout the entirety of the pandemic – we believe this to be a notable achievement

for a company so directly impacted by restrictions on movement. A2B achieved this without tapping shareholders – a rarity relative to other travel related companies. In fact, over the 5.5 year period leading into the pandemic (FY15 – 1H20) A2B paid a total of \$192.7m in fully franked dividends to its shareholders.

Yesterday we announced that we had entered into a Memorandum of Understanding with a developer to swap certain sites in Alexandria, Sydney. As a result of this deal, the developer will undertake to build a purpose-designed 9 floor building on its site on Bourke Road at no cost to us. When complete, we will acquire that site and building in exchange for us transferring one of our sites in Alexandria, recently independently valued at \$57m, to the developer. The new building will include 9,634 sqm of net lettable area, supporting a valuation of \$135,000,000 based on \$700 net rent per sqm and a capitalisation rate of 5%. This transaction enables us to add material value to our property portfolio; have ownership and optionality of a site strategically valuable to our business; have full optionality as to what to do with that property when it's finished; have no disruption to our business during the construction phase and become a landlord with an estimated \$3m pa rent roll. Given the complexities of this deal, it has taken some time to negotiate and we are pleased to finally be able to share the details with you. We are excited about the value accretion, user-friendliness and future opportunities this transaction represents for the company.

Looking forward – we are buoyed by the recent momentum in our business

Operationally, the recovery is once again well underway. There are clear signs of the momentum building. Group revenue is now running 34% ahead of last year and is yet to see the full benefit of lockdown relaxations and the resumption of international travel. In the last 28 days States heavily impacted by the Delta strain have begun moving again, and we have observed increases in bookings through digital channels to the tune of 75% in Victoria and 35% in NSW compared to the same period last year. These factors will materially build revenue back towards the 2019 level in the months ahead and we are optimistic that we will exceed that level in normal conditions – particularly as vaccination rates continue to rise across the country.

An operational update on our new product - FlamingoPay. We have been focused on refining our initial approach to promotion and sales. We have targeted the Brisbane market because of lockdowns in Sydney and Melbourne. We will leverage what we are learning in Brisbane when we extend our sales efforts into Melbourne and Sydney with an external sales partner in coming months. Sales pipeline conversion metrics are improving week on week. These metrics are set to ensure the anticipated customer lifetime value meets our targets and exceeds our cost of capital. As well as direct sales, we are progressing our examination of partnerships and agency arrangements that can efficiently extend the reach of our FlamingoPay terminals without compromising returns. In addition the recent expansion of our digital footprint through social media presence and a new website (www.flamingopay.com.au) further assist in reducing the cost of acquisition.

We continue to be focused on driving profitable growth and are actively managing costs. More than \$8m of permanent cost savings were implemented last year and a further \$4m of permanent cost savings have been identified and implemented in the current half. We are committed to growing the business and growing it in a way that is balanced and delivers positive financial outcomes for shareholders. We are beginning

to realise some benefits from sourcing technical resources offshore to augment our existing in-house capabilities.

As we think further ahead, we are inspired by delivering on our new strategy and what it means for our shareholders.

With the changing world in mind, we constructed a strategy and financial plan that is balanced and has regard for our shareholders ensuring our ability to return to dividends whilst recognizing that continued investment in our business is necessary to compete and keep pace with changing customer preferences. For those that are not familiar with this strategy I would direct you back to the September 28 presentation.

Since our Investor Day we have had good and supportive discussions with a large portion of our shareholder base. One of the consistent topics that has been discussed is our planned expansion into payments.

This is not a big bet. In fact, we believe we have a gem hiding in plain sight.

We have long experience delivering payment services for the taxi industry, and for several years have been providing payments software to banks and major retailers. Facing into the emergence of rideshare and changing consumer preferences was a catalyst for investment to further improve our payment capabilities. Taking the investments we made to uplift our payment capabilities and monetising them by extending into new categories – that is to say not limiting ourselves to taxis - is a low-cost option for our shareholders.

We already have the 6th largest payment terminal fleet in Australia and operate our own payment switch. We have existing terminal management and logistics capabilities. We have been leveraging merchant directed routing since it first became available. We have an existing fixed cost base to support mobility payments. The incremental cost to roll out services in new verticals is modest relative to the start-up requirements of other competitors in payments.

We recognise payments is a competitive market. We have developed an additional sales channel in the SME space which is an extension of the technology and capacity currently offered in the payments business in taxis. The investment in this space is not front end loaded but will be a progressive and responsible allocation of capital as required. As a company we have the flexibility to be able to change the stride, structure, and pace of this investment as the payments unit develops.

We do not see payments as a big bet, rather a pragmatic combination of monetising our existing capabilities and providing future growth avenues, while balancing capital and resource constraints.

More broadly, A2B has proven to be resilient and capable of change. While some ripples from the pandemic remain, we are increasingly focussed on the growth agenda set out in our strategy.

Our growth agenda is ambitious and achievable. The ambition is characterised by the number of tasks the business is tackling concurrently. To assist focus and execution we have strengthened our leadership team, with experienced professionals from Google and Mastercard joining our ranks to lead the Cabcharge and Payments teams

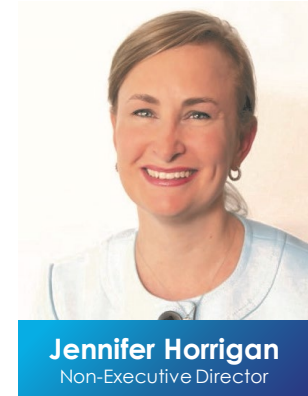
respectively, and our most recent hire being into the newly created position of Chief Human Resources Officer. Our target state following 4 years of growth from the pre-pandemic base is an increase in technology revenues from 24% of total revenues to 30%, and an increase in payments revenues from 3% to 15%, while the majority of revenue will continue to be drawn from our mobility services business. We expect overall revenues to build at 10% compounding annually above our FY19 base, a resumption of the pattern we established during the 3 ½ years leading into the pandemic.

In closing, I would like to acknowledge and thank all our stakeholders for their patience and support during what has been a challenging period. We have been busy creating the best version of a post-pandemic A2B. The initial tasks associated with bringing our vision to life have been largely internally focussed – for example preparing our new strategy, restructuring our workforce and removing costs. As the world opens up, and as we execute for growth, our people are very much looking forward to re-engaging with customers and having a positive impact in the markets we serve.

I'll now hand back to the Chairman to conduct the formal business of the meeting.



Annual General Meeting
18 November 2021





Chairman's Address

Paul Oneile



We enable people to access the power of mobility

A2B is leveraging its capabilities in technology, payments and personal transport.

We believe in the importance of accessible, dependable and equitable transport in the community and are building the team, technology and brands to support its delivery.

CEO
Andrew Skelton



FY21 review: proven resilience - strong liquidity position maintained

A2B has invested in its products and services to strengthen its competitive positioning. This resulted in record revenue in FY19 and a strong balance sheet that prepared A2B to navigate the pandemic and initiate the next growth stage.

Cash flow (\$m)	FY19	FY20	FY21
Operating cash flow	29.0	37.8	(4.9)
Capital expenditure	(15.1)	(14.8)	(6.2)
Business acquisitions	(4.4)	(3.4)	-
Investing cash flow	(19.5)	(18.2)	(6.2)
Net borrowings	(0.4)	(0.8)	(0.2)
Payment of lease liabilities	(2.6)	(2.6)	(2.6)
Dividends paid to equity holders	(9.6)	(9.6)	-
Financing cash flow	(12.6)	(13.0)	(2.7)
Net increase / (decrease)	(3.1)	6.6	(13.8)
Cash as at 30 June	19.2	25.8	11.9

Free cash flow	13.9	23.0	(11.0)
Net cash	16.5	23.7	10.0

Regulatory change

Changes in Government regulation during the last 5 years adversely impacted annual revenue by >\$50m.

Competitive disruption

Entrance of new app based foreign competitors resulted in increased competition and changes in customer expectations. Investment in technology, brand, coverage and service quality positioned A2B as the clear number 2 in a highly competitive market.

Global pandemic

Early decisive action on cost and liquidity allowed for continued investment to drive future growth whilst supporting our stakeholders to the tune of \$20m and maintaining a net cash position. Currently A2B is in a net cash position of **\$8.4m***. Lockdowns are unwinding and international travel is reopening.

FY21 review: performance and overview

Total Revenue \$113.4m

In June 2021 A2B had rebuilt 84% of its pre-pandemic revenue and was growing at 4% per week despite ongoing and intermittent restrictions.

Underlying EBITDA (\$3.7m)

Cost reduced by \$32.7m including \$8.1m of indirect costs. Additional \$4m in annualised indirect cost reduction initiatives are in place for 1H22.

Net cash \$10m as at 30 June

Investment continued to drive A2B's transformation into a digitally driven payments and technology company while retaining net cash.

Subscriber Fleet 7,175 vehicles

Fleet remained stable while subscription pricing recovered to pre-pandemic levels.

Taxi Fares Processed \$525m

Transaction volume recovery continued in 2H21.

- (56%), 1H21 vs 1H19
- (36%), 2H21 vs 2H19

Mobility Platform 29,284 vehicles

Number of vehicles connected to the A2B technology platform (MTI & Cabcharge) up 16.1% on prior year.

FY22 update: major property MOU announced with Addenbrooke

On 17 November, 2021 A2B announced it had entered into a Memorandum of Understanding ("MOU") with Addenbrooke Pty Ltd ("Addenbrooke") to facilitate a proposed land swap of two properties owned by the respective parties that share a boundary in Alexandria, Sydney.

Key Commercial Terms



- **'Bourke Road':** A2B will become the owner of land currently owned by Addenbrooke entities at 20–24 Bourke Road, Alexandria. On this site, Addenbrooke will be responsible for funding and developing a newly constructed, fit-for-purpose, 9 storey commercial office building which will have a net lettable area of 9,634 sqm; and
- **'O'Riordan Street':** Addenbrooke will become the owner of the land currently owned by A2B at 9-13 O'Riordan Street, Alexandria. A2B will continue to operate on its current O'Riordan Street site while the construction of the new building at Bourke Road is completed.

Strategic Rationale



- Generate rental income from excess office space - anticipated at ~\$3m pa (guaranteed for first 2 years)
- Realise value upside from ownership of the land at O'Riordan Street
- Retain 100% freehold interest in headquarters
- Maintain a seamless operation at current location which is strategically important given its proximity and location
- Make strategic developments to facilitate space for electric charging stations within and around its premises which provides differentiation against competitors

Value Uplift



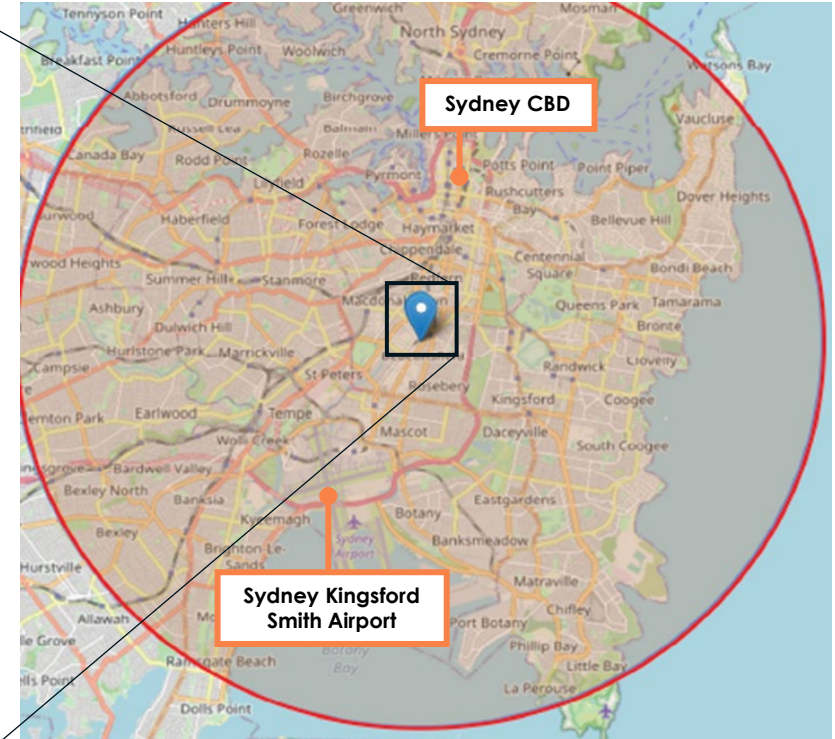
- On completion, the new building on Bourke Road will have an estimated value of \$135,000,000.
- This compares favourably to the \$57,000,000 valuation attributed to the company's existing O'Riordan Street site by an independent valuer in August 2021 (on an "as is" basis).

Anticipated Timeline



- Transaction documents finalised May 2022
- Construction of new premises complete 2024/25

FY22 update: Strategic location of Alexandria property



FY22 update: core is leveraged to reopening of the economy

13cabs app

Strong re-bound in card-not-present

Weekly 13cabs App Payments (\$000's)

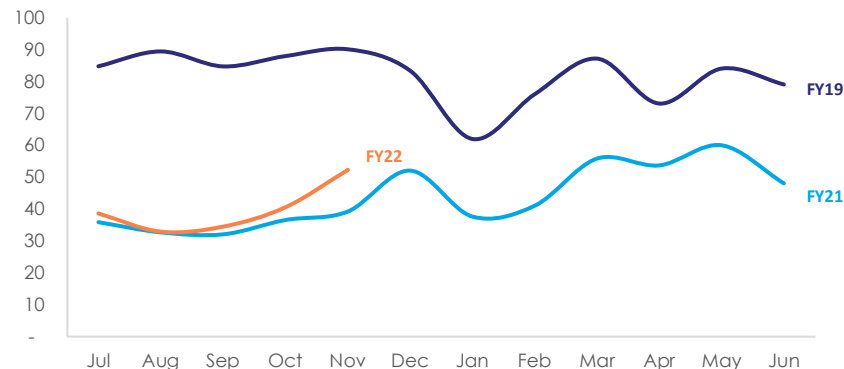


- App channel recovers quickly reaching **all time high**
- **18%** of 13cabs trips now paid in app
- **\$45m** current annualised run rate for app processing

Total activity

Performance favourable YoY despite unfavourable external settings

Fares Processed (\$m)













- Moving forward external settings are favourable with:
 - 83.9%* of population double vaccinated (90.9% single dose)
 - International borders opening up
 - Unlikely to experience similar lockdowns as in FY21

Fares processed relative to FY19	Q1	Q2	Q3	Q4
FY21	39%	49%	60%	68%
FY22	41%			

FY22 update: committed to delivering value – cost initiatives

A2B is committed to deliver value as part of its recently presented strategy. More than \$8m of permanent cost savings were realised in FY21. Our new strategy targets a further \$9m in cost reduction, \$4m of which has already been achieved.

	Cost initiatives identified	Status	Annualised Savings
Process optimisation & automation	- Billing automation	 In Progress	\$0.4m
	- Driver on-boarding automation	 In Progress	\$0.2m
	- Roll-out e-statements for 13cabs	 In Progress	\$0.1m
Centralisation of shared functions	- Closure of Sydney contact centre	 Complete	\$0.2m
	- Centralisation of shared functions	 Complete	\$1.0m
Premises consolidation and optimisation	- Closure of Thomastown office	 Complete	\$0.2m
	- Consolidation of Sydney offices	 Complete	\$1.2m
Renegotiation supplier contracts	- Renegotiation telco contracts	 Complete	\$0.7m
Total identified	- Initiatives identified and underway	 In Progress	\$4.0m
Target	- \$5m to be identified	 Pending	\$9.0m

Cost improvement program

The cost improvement program is aimed at:

- Temporarily mitigating pandemic related impacts
- Supporting investment in our growth strategy

Objective

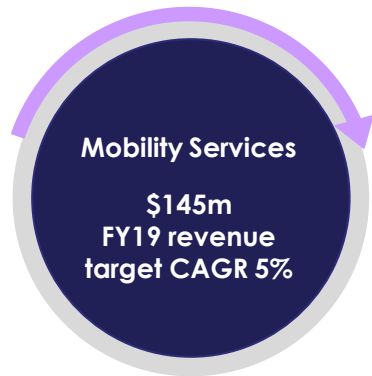
A2B is targeting \$9m in annualised cost savings on non-volume cash expenses (excl. marketing expenses) in the coming 4 years. This represents 9% of the FY21 cost base, excluding marketing expenses.

1Q22 cost base

Our cost improvement program is starting to deliver results with non-volume cash expenses (excl. marketing expenses) ending \$1.3m below 1Q21.

Outlook: significant opportunities available through shared technologies

Under our new strategy A2B's technologies, scale and experience are leveraged to grow and win in new verticals and markets.



RECOVER AND GROW OUR CORE

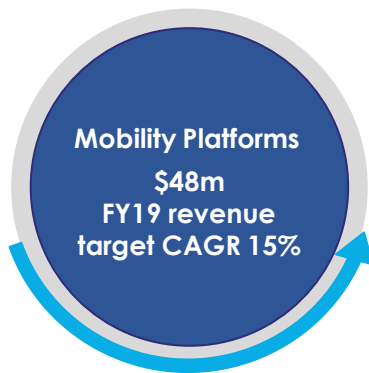
13cabs

Silver Service
Customer

Markets: Australia

Market share: 22%, → target 30-35%

- Increase market share.
- Be the market leader for instant deliveries.
- Leverage scale to benefit all 13cabs stakeholders.



INTERNATIONAL EXPANSION

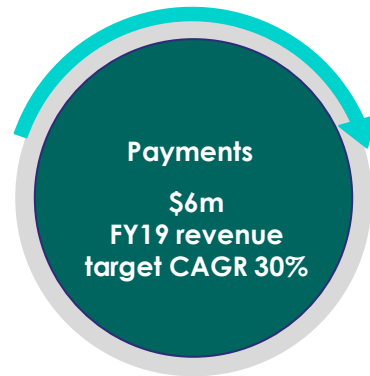
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CABCHARGE

Markets: ANZ, North America, Europe, U.K.

Market share: 4%, → target 10-15%

- Establish single global scalable mobility platform.
- Grow market share in Australia and internationally.
- Transition to subscription and/or transaction based charging model.



EXTEND CAPABILITIES

FlamingoPay

GIRAFFE
PAYMENTS

spotto

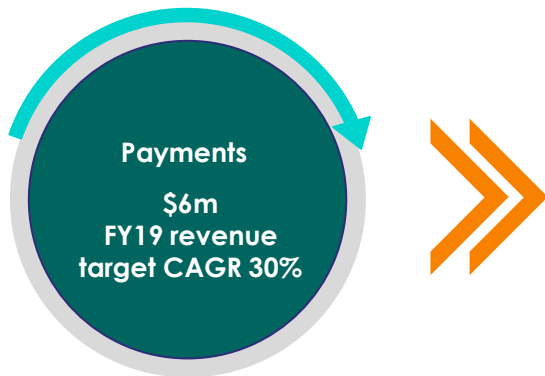
Markets: Australia

Market share: target 0.6%

- Establish payments business serving AU market.
- Productise and sell our capabilities.
- Improve our capabilities to include CNP, re-productise and sell.

Outlook: expansion in payments is an outgrowth of existing capabilities

A2B has a long experience delivering payment services for the taxi industry, and for several years has been providing payment software to banks and major retailers.



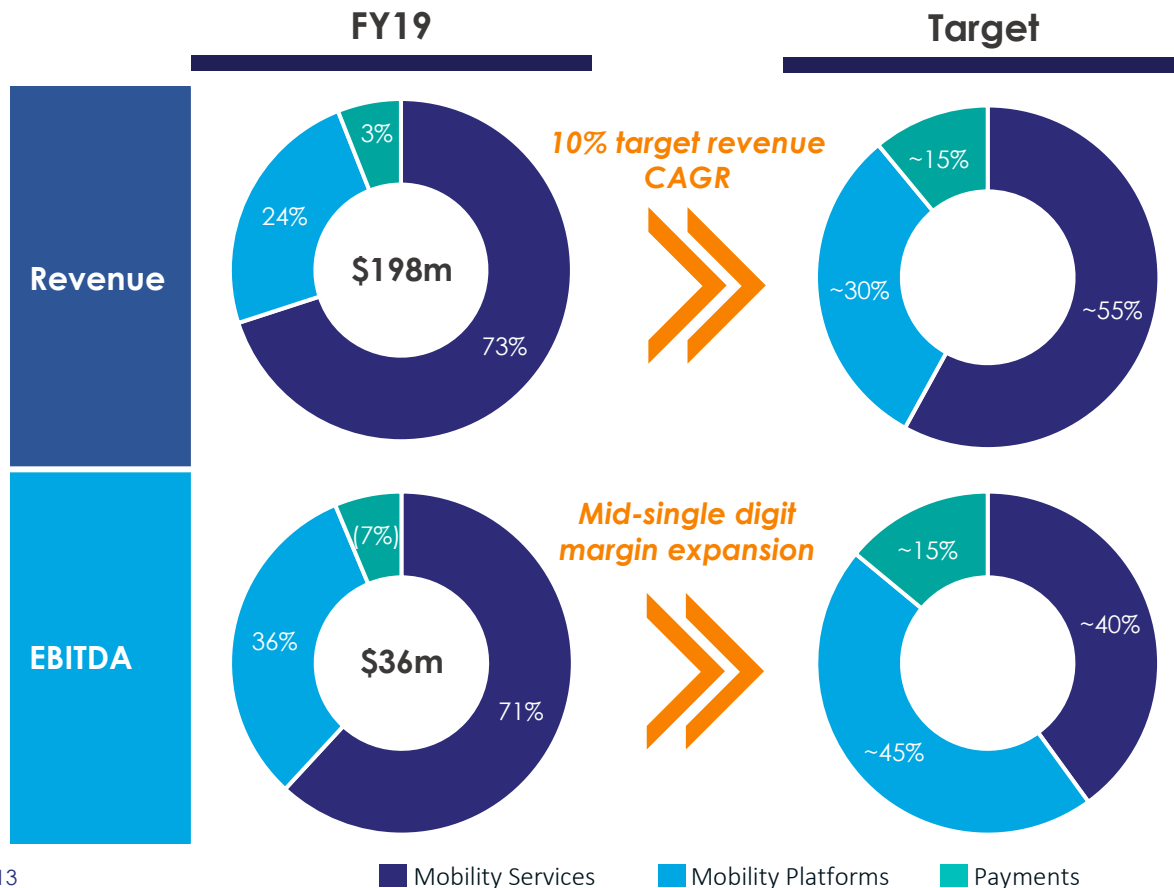
EXISTING CAPABILITIES

- 6th largest payment terminal fleet in Australia
- Operate our own payment switch
- Existing terminal management and logistics capabilities
- Capabilities with merchant directed routing since it first became available
- Existing fixed cost base to support mobility payments

PROGRESS

- 28 September 2021, announced our FlamingoPay go-to-market strategy
- Our digital footprint is expanding with the launch of our social media presence and new website (www.flamingopay.com.au).
- All key sales pipeline conversion metrics are improving week on week.
- We have onboarded our first batch of customers, using their new FlamingoPay payment terminals to process and settle transactions.
- Immediate plans are to leverage our positive sales conversion metrics to begin scaling up our customer acquisition efforts and to roll out FlamingoPay Plus features.

Outlook: diversify through growth in new geographies and verticals



Build on our core strengths.

Continued strength in Australia mobility sector to drive near term cash flow and profitable growth .

Recycle technology and capabilities designed for taxi sector to broader customer base.

Develop new growth channels as an outgrowth of our existing technology capabilities.

Targeted capital investment.

Profitable growth a key focus area.

Outlook: clear targets to deliver value

Committed to Delivering Value.

	FY19	Target
Revenue	\$198m	~10% Target revenue CAGR
Cost Reductions	\$111m Indirect cost base	~\$9m Targeted Cost Reduction \$4m identified and to be implemented in FY22 (\$8.1m indirect costs reduced in FY21)
Underlying EBITDA	\$36m 18% margin	~20-23% Mid-single digit margin expansion
Financial Strength	\$1.12 NTA per share ⁽¹⁾	Maintain financial strength and funding options to maximise value. Debt funding below 1-1.3x pre-pandemic EBITDA
FCF Conversion	100% FCF conversion ⁽²⁾	Return to attractive dividend program and 100% FCF conversion ⁽²⁾ following strategy implementation

Revenue growth and diversification.

Driven by resumption of pre-pandemic trends, market expansion, entry into new verticals and market share gains.

Cost improvement program.

Mitigates the temporary impacts of the pandemic and enables continued investment in our business.

EBITDA diversification.

Diversification into higher margin businesses coupled with cost efficiencies driving EBITDA improvement.

High return on investment business case.

Dividends paused during pandemic recovery and investment period with excess cash to be returned to shareholders following initial period of successful strategy implementation.

14 Note: (1) Net tangible asset per security as at 30 June 2021 + \$70.3m value premium on property portfolio. (2) Conversion of cash profits (statutory profit + depreciation and amortisation) into operating cash flow.



azb

